



Peer-to-peer lender RateSetter reveals profit

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Peer-to-peer lender RateSetter has revealed that it turned a profit for a second consecutive year, making it the only major player in the sector to be profitable. It efficiently matches creditworthy borrowers with investors, allowing each side to agree a fair rate.

The 2014-15 results show that RateSetter reported a profit of £618k with revenues doubling in the year up to March 2015, from £5m to £12.5m. The company lent £300m in 2014 – more than any other peer-to-peer lender that year – and this year it has surpassed that figure already, having lent more than £345m to individuals and businesses.

Within the last year, the company has received backing from City heavyweights including Neil Woodford and Artemis as part of a £20m funding round completed in March. It celebrates its fifth anniversary in October.

RateSetter is expected to make a loss over the next two years as it embarks on a major investment drive, including hiring more people, increasing marketing activity, and moving to larger offices.

Rhydian Lewis, founder and CEO, commented: "We've proved that our model works and consistently delivers great benefits for individual investors. Our focus now is to scale up while continuing to deliver that great value."

"Our next step will be to take on the mainstream finance industry. Our ambition is for the rates set on RateSetter to become benchmark money rates for investors."

"We want RateSetter to be a public company - it feels a natural home for a business focused on investors."

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Notes to Editors:

RateSetter is one of the UK's largest peer-to-peer lenders, and has lent more than £345m in 2015. The platform offers a ground-breaking proposition that allows retail, institutional and corporate lenders to lend via an online platform at interest rates that they set. RateSetter pioneered the "Provision Fund" model that has since become a common feature of the industry. Its Fund is the largest (£15.9 million) and has ensured that no individual lender has ever lost a penny since RateSetter launched in 2010, a unique feat amongst the major P2P platforms. In 2014, RateSetter became the first P2P lender to launch with a retail license in Australia. In November 2014 RateSetter was named the FT's *Best Peer-to-Peer Lender*. In March 2015 Rhydian Lewis was named *FinTech Leader of the Year*. RateSetter is authorised and regulated by the Financial Conduct Authority.